

## **DRAFT LEGISLATION**

SEC. \_\_\_\_\_. ALTERNATE ENERGY-RELATED USES ON THE OUTER CONTINENTAL SHELF.

(a) PURPOSES – the purposes of this section are –

- (1) to protect the economic and land use interests of the Federal government in the management of OCS lands for energy-related and certain other purposes;
- (2) to provide an administrative framework for the oversight and management of energy-related activities on the OCS, consistent with other applicable laws;
- (3) to provide for inter-agency coordination in the siting and permitting of energy-related activities on the OCS;
- (4) to ensure that energy-related activities on the OCS are conducted in a manner that provides for safety; protection of the environment; prevention of waste; the conservation of natural resources; and the protection of national security interests;
- (5) to authorize alternate uses of existing structures and facilities previously permitted under this Act; and
- (6) to ensure that the Federal government receives a fair return for any easement or right-of-way granted under this section.

(b) AMENDMENT TO THE OUTER CONTINENTAL SHELF LANDS ACT. –

Section 8 of the OCSLA is amended by adding a new subsection (p) (43 U.S.C. 1337 (p)) to read as follows:

(p) Easements or Rights-of-Way for Energy and Related Purposes.

(1) The Secretary, in consultation with the Secretary of the Department in which the Coast Guard is operating and other relevant departments and agencies of the Federal government, may grant an easement or right-of-way on the OCS for activities not otherwise authorized in this Act, the Deepwater Ports Act (33 U.S.C. 1501 *et seq.*), or the Ocean Thermal Energy Conversion Act (42 U.S.C. 9101 *et seq.*) when such activities:

(A) support exploration, development, production, transportation, or storage of oil, natural gas, or other minerals;

(B) produce or support production, transportation, or transmission of energy from sources other than oil and gas; or

(C) utilize facilities previously used for activities authorized under this Act.

(2)(A) The Secretary shall establish appropriate forms of payment for any easement or right-of-way granted under this paragraph, which may include, but is not limited to, fees, rentals, or cash bonus payments. The Secretary may establish the fees, rentals, bonus or other payments either by rule or by agreement with the party to whom the easement or right-of-way is granted.

(B) Before exercising the authority granted under this subsection, the Secretary shall consult with the Secretary of Defense concerning issues related to national security and navigational obstruction.

(C) The Secretary may issue an easement or right-of-way for energy and related purposes as described in paragraph (1) on a competitive or non-competitive basis. In determining whether such easement or right-of-way will be granted competitively or non-competitively, the Secretary shall consider such factors as prevention of waste and conservation of natural resources; protection of the environment; the national interest; national security; human safety; and the potential return for any easement or right-of-way granted under this subsection.

(3) The Secretary, in consultation with the Secretary of the Department in which the Coast Guard is operating and other relevant departments and agencies of the Federal government and affected States, shall prescribe any necessary regulations to assure safety; protection of the environment; prevention of waste and conservation of the natural resources of the Outer Continental Shelf; protection of national security interests; and the protection of correlative rights therein.

(4) The Secretary shall require the holder of such easement or right-of-way to furnish such surety bond, as prescribed by the Secretary, and to comply with such other requirements as the Secretary may deem necessary to protect the interests of the United States.

(5) Nothing in this subsection shall be construed to displace, supercede, limit, or modify the jurisdiction, responsibility or authority of any Federal or State agency under any other Federal law. Further, this subsection shall not apply to an area on the OCS designated as a National Marine Sanctuary.